

SECRET

Budget
for
CM

OXC-5622

Copy 2 of 3

12 September 1963

MEMORANDUM FOR THE RECORD

SUBJECT: Concurrence in Contract No. AF33(657)-12524 (MO-15042)
with Mobil Oil Company, New York, N.Y., Project OXCART

1. This memorandum contains a recommendation submitted for concurrence of the undersigned. Such recommendation is contained in Paragraph 6.

2. Contract No. MO-15042 covers the procurement of 600,000 gallons PF-1 fuel for the OXCART/KEDLOCK Vehicles. This procurement is with Mobil Oil Company who submitted a Fixed Price Bid in competition with three other suppliers (Ashland, Shell & Humble). Mobil submitted the lowest bid FOB Destination for Specification Fuel. The other suppliers requested spec deviations and were higher in price. These bids were evaluated by the Air Force and the request made to CIA to procure the fuel.

3. Contract No. MO-15042 obligates \$211,200.00 chargeable in FY-1964 to Project REDLIGHT Funds. By concurrence to this memorandum the Chief, Budget & Finance Branch, signifies that sufficient funds are available for this obligation.

4. The services and equipment being procured by this Contract No. MO-15042 are in furtherance of the OXCART Program, the nature of which cannot be publicly disclosed for security reasons. The undersigned Contracting Officer therefore determines that this procurement must be accomplished by negotiations pursuant to the authority of Section 3(a) of PL 81-110 and Class Determination and Finding, OXC-2122, signed by the DDCI on 15 October 1961.

5. Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all covert expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress (formerly 10(b) - see 85-507 dated 7/7/58) for each contract.

SECRET

6. Concurrence in Contract No. MO-15402 is recommended.

SIGNED

Contracting Officer, OSA

STAT

CONCURRENCES:

C/BFB/OSA

9/17
DATE

STAT

JOHN PARANGOSKY
D/Tech/OSA

9/23
DATE

OGC

9/23
DATE

STAT

CD/OSA-DD/S&T; [] :sjj
Dist: Cy 1 - CD/OSA-MO-15402
2 - BFB/OSA
3 - RB/CSA

STAT